
State Controller's Annual Conference with County Auditors October 2015

Division of Audits- Property Tax Procedures



PRESENTED BY:

SCOTT FREESMEIER, AUDIT MANAGER
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Today's Agenda

- Overview
- Property Tax Audit Process
- Questions



Property Tax Audit Process

Audit Authority and Selection Process

- Government Code Section 12468 requires the SCO to audit the allocation and apportionment of property taxes
- Counties are selected based on last fiscal year audited and the audit frequency laid out in Government Code
 - County population under 200,000 = 5 years
 - County population over 200,000 = 3 years
 - County population over 5,000,000 = annually



Property Tax Audit Process

Audit Process

- Contact the county via telephone to establish a start date
- Preliminary Records Request is emailed
- Engagement Letter is mailed to the Auditor-Controller
- Entrance Conference held
- Fieldwork typically lasts 4-7 weeks
- Exit Conference is held and preliminary findings discussed



Property Tax Audit Process

Report Process

- If there are findings the audit will be issued in draft
 - County has 15 days to respond
 - County's response will be incorporated in final report
- If there are no findings, and all affected parties agree, the report will go straight to final



Property Tax Audit Process

Audit Scope

- Tax Increment and AB 8 Calculations
- Jurisdictional Changes
- Supplemental Property Tax
- Unitary and Pipeline
- Railroad
- Qualified Electric (QE)



Property Tax Audit Process

Audit Scope (Continued)

- Property Tax Administrative Costs (PTAC)
- Education Revenue Augmentation Fund (ERAF)
- Tax Equity Allocations (TEA)
- Redevelopment Agencies
- Redevelopment Property Tax Trust Fund (RPTTF)



SCO Website Information

Since January 2015
The Controller's
Audit Program
Has Identified

\$2,194,244,284

In Waste, Abuse
and Fiscal
Mismanagement

Audit-Related Sites

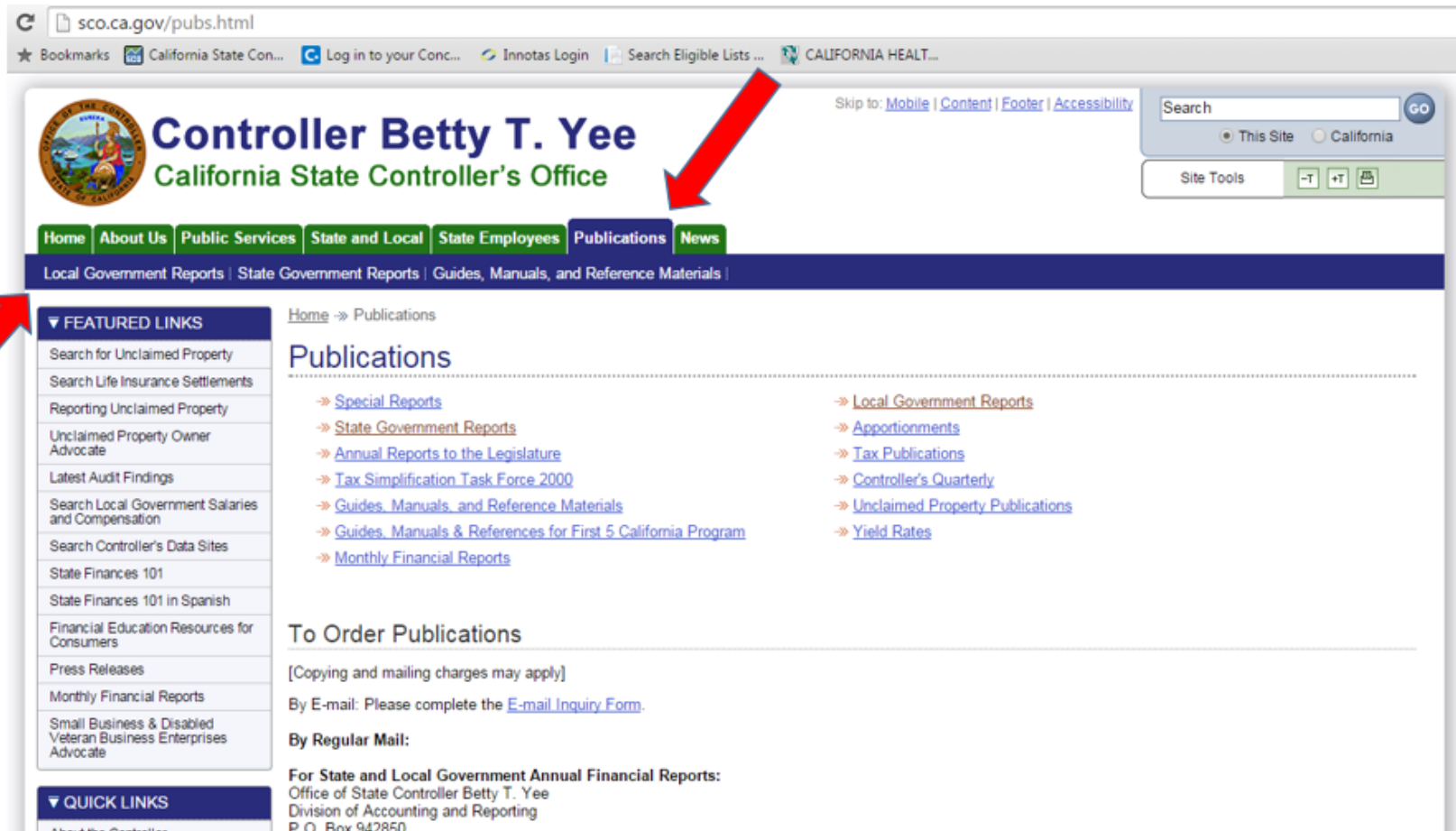
WWW.SCO.CA.GOV

Links to Audit and Oversight Reports, and More Information

- Controller's Redevelopment Asset Reviews
- Controller's Audits of State and Local Agencies
- Controller's Revenue Audits
- Controller's Oversight of Independent Auditors' Audits of Local Agencies
- Search for Additional Audits
- Information on Ordering Printed Copies of Controller's Audits



Property Tax Reports on SCO's Website



The screenshot shows the website of the California State Controller's Office, specifically the Publications page. The browser address bar shows sco.ca.gov/pubs.html. The page header includes the Controller's name, Betty T. Yee, and the office name. A navigation menu at the top includes links for Home, About Us, Public Services, State and Local, State Employees, Publications, and News. The Publications section is highlighted with a red arrow. Below the navigation menu, there are links for Local Government Reports, State Government Reports, and Guides, Manuals, and Reference Materials. The main content area is titled 'Publications' and lists various reports and publications, including Special Reports, State Government Reports, Annual Reports to the Legislature, Tax Simplification Task Force 2000, Guides, Manuals, and Reference Materials, Guides, Manuals & References for First 5 California Program, Monthly Financial Reports, Local Government Reports, Apportionments, Tax Publications, Controller's Quarterly, Unclaimed Property Publications, and Yield Rates. A sidebar on the left contains 'FEATURED LINKS' and 'QUICK LINKS'. The 'To Order Publications' section provides information on how to obtain reports, including by email and by regular mail.

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- > [Tax Simplification Task Force 2000](#)
- > [Guides, Manuals, and Reference Materials](#)
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- > [Unclaimed Property Publications](#)
- > [Yield Rates](#)

To Order Publications

[Copying and mailing charges may apply]

By E-mail: Please complete the [E-mail Inquiry Form](#).

By Regular Mail:

For State and Local Government Annual Financial Reports:
Office of State Controller Betty T. Yee
Division of Accounting and Reporting
P.O. Box 942850

FEATURED LINKS

- Search for Unclaimed Property
- Search Life Insurance Settlements
- Reporting Unclaimed Property
- Unclaimed Property Owner Advocate
- Latest Audit Findings
- Search Local Government Salaries and Compensation
- Search Controller's Data Sites
- State Finances 101
- State Finances 101 in Spanish
- Financial Education Resources for Consumers
- Press Releases
- Monthly Financial Reports
- Small Business & Disabled Veteran Business Enterprises Advocate

QUICK LINKS

- About the Controller



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Results will show

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Questions

